

To: The Honorable Mayor and City Council

From: Ruby Johnson, Purchasing Director 

Date: October 9, 2012

RE: **A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, RATIFYING THE CITY MANAGER'S EXECUTION OF A THIRD OPTION TO RENEW PROFESSIONAL SERVICES AGREEMENT, IN SUBSTANTIALLY THE ATTACHED FORM, BETWEEN THE CITY OF NORTH MIAMI AND RISK MANAGEMENT ASSOCIATES, INC., D/B/A PUBLIC RISK INSURANCE AGENCY, TO CONTINUE TO PROVIDE THE CITY WITH UNINTERRUPTED PUBLIC OFFICIAL LIABILITY INSURANCE COVERAGE; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.**

BACKGROUND

Staff engaged in a competitive bidding process in September 2009 for Public Official Liability Insurance. Two (2) companies responded, and Public Risk Insurance Agency (PRIA) was successful in delivering the most competitive coverage and premium option through its carrier "Indian Harbor Insurance"; consequently it was awarded the contract. PRIA, the 7th largest insurance intermediary in the United States, and a subsidiary of Brown & Brown, is uniquely qualified to handle the City's Public Official Liability insurance. It currently serves the insurance needs of over 150 public entities in the State of Florida. The carrier - Indian Harbor Insurance Company - has successfully held a stable financial position within the insurance industry with \$2,000,000,000 in capital, surplus and conditional reserve funds. Additionally it is supported by an excellent AM Best rating of A+XV.

The contract provides an option to renew this line of coverage under the same terms and conditions for four (4) years on a year to year basis. Coverage provided by Indian Harbor Insurance includes: \$2,000,000 policy limit for Public Official Liability Insurance, written on a claims made form, but includes full prior acts coverage, with \$50,000 deductible per claim. Renewal is being offered at \$104,303.00 annualized premium.

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to exercise Option Year No. 3 of RFP # 09-08-09 for Public Official Liability Insurance with Indian Harbor Insurance Company, through its broker Public Risk Insurance Agency (PRIA) located in Daytona Beach, Florida, for the period 10/31/12 to 10/31/13.

Staff is also recommending that Council authorize the issuance of a purchase order in the amount of \$104,303.00 exercising Option Year No. 3 of the renewal agreement.

Attachments

Resolution

Executed Agreement

Option Year 3 Pricing

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, RATIFYING THE CITY MANAGER'S EXECUTION OF A THIRD OPTION TO RENEW PROFESSIONAL SERVICES AGREEMENT, IN SUBSTANTIALLY THE ATTACHED FORM, BETWEEN THE CITY OF NORTH MIAMI AND RISK MANAGEMENT ASSOCIATES, INC., D/B/A PUBLIC RISK INSURANCE AGENCY, TO CONTINUE TO PROVIDE THE CITY WITH UNINTERRUPTED PUBLIC OFFICIAL LIABILITY INSURANCE COVERAGE; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

WHEREAS, on October 13, 2009, the Mayor and City Council of the City of North Miami ("City") approved the selection of Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency ("Contractor") for the provision of Public Official Liability Insurance Coverage ("Public Official Coverage"); and

WHEREAS, the City entered into an agreement with Contractor ("Agreement") for the purchase of Public Official Coverage, in accordance with the terms, conditions and specifications contained in the City's *Request for Proposals # 09-08-09, Public Official Liability Insurance Coverage* ("RFP"); and

WHEREAS, upon completion of the initial term, the City is allowed to exercise up to four (4) options to renew the Agreement on a year-by-year basis, under the same terms and conditions of the Agreement; and

WHEREAS, the initial term of the Agreement was for one (1) year, terminating on September 30, 2010, requiring immediate action by the City Manager in order to avoid a lapse of Public Official Coverage; and

WHEREAS, the premium cost for this third renewal of Public Official Coverage, is in the amount not to exceed One Hundred Four Thousand Three Hundred Three Dollars (\$104,303.00); constituting a decrease of Nine Hundred One Dollars (\$901.00) from the previous year premium rate; and

WHEREAS, the City Manager has determined that it is in the City's best interest to exercise the Third Option to Renew Agreement, in order to maintain and extend without interruption, the required Public Official Coverage to the City at a substantial savings.

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. **Authority of City Manager.** The Mayor and City Council of the City of North Miami, Florida, hereby ratify the City Manager's execution of a Third Option to Renew Professional Services Agreement, in substantially the attached form, between the City of North Miami and Risk Management Associates, Inc., D/B/A Public Risk Insurance Agency, to continue to provide the City with uninterrupted Public Official Liability Insurance Coverage.

Section 2. **Effective Date.** This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a _____ vote of the Mayor and City Council of the City of North Miami, Florida, this _____ day of October, 2012.

ANDRE D. PIERRE, ESQ.
MAYOR

ATTEST:

MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

REGINE M. MONESTIME
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Mayor Andre D. Pierre, Esq.	_____ (Yes) _____ (No)
Vice Mayor Marie Erlande Steril	_____ (Yes) _____ (No)
Councilperson Michael R. Blynn, Esq.	_____ (Yes) _____ (No)
Councilperson Scott Galvin	_____ (Yes) _____ (No)
Councilperson Jean R. Marcellus	_____ (Yes) _____ (No)

Ratification

**CITY OF NORTH MIAMI
THIRD OPTION TO RENEW
PROFESSIONAL SERVICES AGREEMENT**

THIS THIRD OPTION TO RENEW PROFESSIONAL SERVICES AGREEMENT ("Third Option Agreement") is made and entered into this 1st day of October, 2012 by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL ("City") and **Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency**, a for-profit corporation organized and existing under the laws of the State of Florida, having its principal office at 220 S. Ridgewood Avenue, Daytona, FL 32114 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on October 31, 2009, the City of North Miami ("City") entered into an agreement with Contractor ("Agreement") for the purchase of Public Official Liability Insurance Coverage ("Public Official Coverage"), in accordance with the terms, conditions and specifications contained in the City's *Request for Proposals # 09-08-09, Public Official Liability Insurance Coverage* ("RFP"); and

WHEREAS, the initial term of the Agreement was for one (1) year, terminating on September 30, 2010; and

WHEREAS, upon completion of the initial term, the City is allowed up to four (4) options to renew on a year-by-year basis, under the same terms and conditions of the Agreement; and

WHEREAS, the City Manager has determined that it is in the City's best interests to exercise the option to renew in accordance with the terms and conditions of the Agreement, in order to provide uninterrupted insurance coverage to the City.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The City hereby exercises its third option to renew the Agreement for Public Official Coverage, during the period commencing October 31, 2012, through October 31, 2013.
2. The Contractor hereby accepts the City's third option to renew the Agreement for Public Official Coverage, during the period commencing October 31, 2012, through October 31, 2013.
3. The City shall have remaining one (1) option to renew the Agreement on a year-by-year basis, under the same terms and conditions of the Agreement.
4. The Contractor agrees to provide Public Official Coverage in accordance with the terms, conditions and specifications contained in the City's RFP.

5. The City agrees to pay Contractor a lump sum payment in the amount not to exceed One Hundred Four Thousand Three Hundred-Three Dollars and no cents (\$104,303.00), for Public Official Coverage.
6. The Parties agree that this Third Option Agreement shall be made part of the Agreement previously executed by the Parties, attached hereto as Exhibit "A".
7. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.
8. This Third Option Agreement shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.
9. All other terms of the Agreement, which have not been modified by this Third Option Agreement, shall remain in full force and effect.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, a Florida for-profit corporation:

Corporate Secretary or Witness:

"Contractor"

By: _____

By: Alan Florez

Print Name: _____

Print Name: Alan Florez

Title: _____

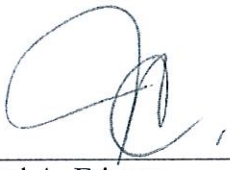
Title: Executive Vice President

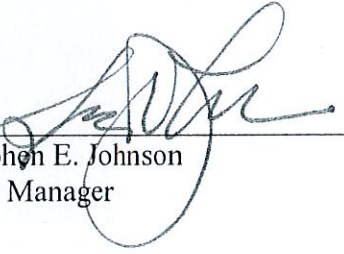
Date: _____

Date: 9-18-12

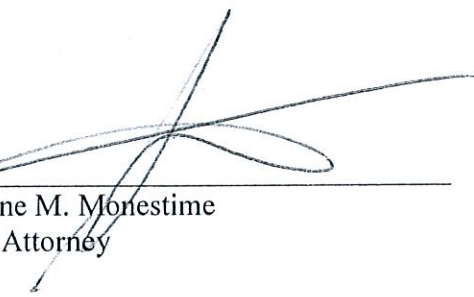
ATTEST:

City of North Miami, a Florida municipal Corporation: "City"

By: 
Michael A. Etienne
City Clerk

By: 
Stephen E. Johnson
City Manager ps

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: 
Regine M. Monestime
City Attorney

**CITY OF NORTH MIAMI
PROFESSIONAL SERVICES
AGREEMENT**

THIS PROFESSIONAL SERVICES AGREEMENT ("Agreement") is entered into this 1 day of October, 2009, between the City of North Miami, a Florida municipal corporation with a principal address of 776 N.E. 125th Street, North Miami, FL 33161 ("City"), and Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency, organized and existing under the laws of the State of Florida, having its principal office at 220 S. Ridgewood Avenue, Daytona Beach, FL 32114 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, the City desires to purchase public official liability insurance coverage from a qualified, experienced, and licensed insurance provider ("Services"), in accordance with the terms, conditions and specifications contained in the City's Request for Proposals # 09-08-09, Public Official Liability Insurance Coverage ("RFP"); and

WHEREAS, Contractor was evaluated by City administration as the most responsible provider with a proposal determined to be the most advantageous to the City; and

WHEREAS, the Contractor has expressed the capability and willingness to perform the Services as described pursuant to the RFP; and

WHEREAS, on October 13, 2009, the City Council approved the selection of Contractor and further authorized the City Manager to negotiate and execute an agreement with Contractor for the provision of Services.

NOW, THEREFORE, in consideration of the mutual terms and conditions set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

ARTICLE 1

RECITALS

1.1 The recitals are true and correct and are hereby incorporated into and made a part of this Agreement.

ARTICLE 2

CONTRACT DOCUMENTS

2.1 The following documents are incorporated into and made a part of this Agreement (collectively referred to as the "Contract Documents"):

2.1.1 City's Request for Proposals # 09-08-09, Public Official Liability Insurance Coverage, including all amendments and/or addendums, are attached hereto by reference;

- 2.1.2 Contractor's response to the RFP ("Proposal"), attached hereto as Exhibit "A";
 - 2.1.3 City's Award Letter to Contractor dated September 23, 2009, attached hereto as Exhibit "B";
 - 2.1.4 City Manager recommendation of award to City Council, dated October 5, 2009, attached hereto as exhibit "C"; and
 - 2.1.5 Any additional documents which are required to be submitted under the RFP for the provision of Services.
- 2.2 In the event of any conflict between the Contract Documents or any ambiguity or missing specification or instruction, the following priority is hereby established:
- 2.2.1 Specific written direction from the City Manager or City Manager's designee.
 - 2.2.2 This Agreement.
 - 2.2.3 The RFP.
- 2.3 The Parties agree that Contractor was responsible for clarifying any ambiguity, conflict, discrepancy, omission, or other error found in the RFP prior to Contractor submitting its Proposal, or the right to clarify same shall be waived.

ARTICLE 3

TERM

- 3.1 The Parties agree that the initial term of this Agreement shall be a period of one (1) year commencing on October 1, 2009 and ending on September 30, 2010.
- 3.2 Following the initial term of one (1) year, the City shall have four (4) options to renew the Agreement on a year-by-year basis, under the same terms and conditions. Should Contractor not desire to renew the Agreement with the City, the Contractor shall give the City a non-renewal written Notice of Cancellation at least one hundred twenty (120) days prior to the expiration of the annual anniversary date of the Agreement.

ARTICLE 4

COMPENSATION AND METHOD OF PAYMENT

- 4.1 Contractor shall be compensated by a lump sum payment amount not to exceed One Hundred Twenty Four Thousand Four Hundred Seventy Five Dollars and forty-three cents (\$124,475.43) for the first year's coverage, payable within thirty (30) days receipt of invoice.
- 4.2 The City shall be given at least one hundred twenty (120) days prior notice of any increase in premiums effective after the initial term period. Any such increase in premiums shall be made only once on an annual basis.

ARTICLE 5
SCOPE OF SERVICES

5.1 Contractor agrees to perform Services for the benefit of the City under the special terms, schedules, and conditions set forth in the Contract Documents. Contractor shall perform Services in accordance with that degree of care and skill ordinarily exercised by reputable members of its profession.

5.2 Contractor represents and warrants to the City that: (i) Contractor possesses all qualifications, licenses and expertise required in the provision of Services, including but not limited to full qualification and good standing to do business in Florida with personnel fully licensed as may be required by law; (ii) Contractor is not delinquent in the payment of any sums due the City, including payment of permit fees, local business taxes, or in the performance of any obligations to the City; (iii) all personnel assigned to perform work shall be, at all times during the term hereof, fully qualified and trained to perform the tasks assigned to each; (iv) the Services will be performed in the manner as described in the Contract Documents for the budgeted amounts, rates and schedules; and (v) the person executing this Agreement on behalf of Contractor is duly authorized to execute same and fully bind Contractor as a party to this Agreement.

ARTICLE 6
INDEPENDENT CONTRACTOR

6.1 Contractor and its employees and agents shall be deemed to be independent contractors and not City agents or employees. Accordingly, Contractor shall not attain, nor be entitled to, any rights or benefits under the Civil Service or Pension Ordinances of the City, nor any rights generally afforded classified or unclassified employees of the City. Contractor further understands that Florida workers' compensation benefits available to employees of the City are not available to Contractor, and agrees to provide workers' compensation insurance for any employee or agent of Contractor rendering Services to the City under this Agreement.

ARTICLE 7
DEFAULT

7.1 If Contractor fails to comply with any term or condition of this Agreement, or fails to perform any of its obligations hereunder, then Contractor shall be in default. The City shall have the right to terminate this Agreement, in the event Contractor fails to cure a default within fifteen (15) business days after receiving notice of default. Contractor understands and agrees that termination of this Agreement under this section shall not release Contractor from any obligations accruing prior to the effective date of termination.

7.2 When, in the opinion of the City, reasonable grounds for uncertainty exist with respect to Contractor's ability to perform any portion of Services, the City may request that the Contractor, within a reasonable time frame set forth in the City's request, provide adequate assurances to the City in writing, of Contractor's ability to perform in accordance with terms of this Agreement. In the event that the Contractor fails to provide

the City the requested assurances within the prescribed time frame, the City will treat such failure as a breach of this Agreement.

ARTICLE 8

CITY'S TERMINATION RIGHTS

8.1 The City shall have the right to terminate this Agreement, in its sole discretion at any time, without cause, upon sixty (60) days written notice to Contractor. The City shall not be liable to Contractor for any additional amounts or damages, including but not limited to, anticipated profits, or consequential or incidental damages.

ARTICLE 9

CONFLICTS OF INTEREST

9.1 Contractor represents and warrants to the City that it has not employed or retained any person or company employed by the City to solicit or secure this Agreement and that it has not offered to pay, paid, or agreed to pay any person any fee, commission, percentage, brokerage fee, or gift of any kind contingent upon or in connection with, the award of this Agreement.

9.2 Contractor covenants that no person under its employ who presently exercises any functions or responsibilities on behalf of the City in connection with this Agreement has any personal financial interest, directly or indirectly, with contractors or vendors providing professional services on projects assigned to the Contractor, except as fully disclosed and approved by the City. Contractor further covenants that, in the performance of this Agreement, no person having such conflicting interest shall be employed.

ARTICLE 10

OWNERSHIP OF DOCUMENTS

10.1 All documents resulting from the provision of Services under this Agreement shall be deemed the sole property of the City, and the City shall have all rights incident to sole ownership. All such documents shall be provided to the City once the Services are completed. In the event the Agreement is terminated, Contractor agrees to provide the City all documents relating to the Services within ten (10) days from the date the Agreement is terminated.

ARTICLE 11

NOTICE

11.1 All notices, demands, correspondence and communications between the City and Contractor shall be deemed sufficiently given under the terms of this Agreement when dispatched by registered or certified mail, postage prepaid, return receipt requested, addressed as follows:

To Contractor: Risk Management Associates, Inc.
d/b/a Public Risk Insurance Agency
220 South Ridgewood Avenue
Daytona Beach, FL 32114

To City: City Manager
City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161

With a copy to: City Attorney
City of North Miami
776 N.E. 125th Street
North Miami, Florida 33161

11.2 Either Party may at any time designate a different address and/or contact person by giving notice as provided above to the other party. Such notices shall be deemed given upon receipt by the addressee.

ARTICLE 12 **PUBLIC RECORDS**

12.1 Contractor understands that the public shall have access, at all reasonable times, to all documents and information pertaining to City contracts, subject to the provisions of Chapter 119, Florida Statutes, and agrees to allow access by the City and the public to all documents subject to disclosure under applicable law.

ARTICLE 13 **COMPLIANCE WITH LAWS**

13.1 Contractor agrees to comply with and observe all applicable federal, state, and local laws, rules, regulations, codes and ordinances.

ARTICLE 14 **INDEMNIFICATION**

14.1 Contractor shall defend, indemnify and hold harmless the City, its officers and employees from and against any and all claims, costs, losses and damages including, but not limited to reasonable attorney's fees, caused by the negligent acts or omissions of the Contractor, its officers, directors, agents, partners, subcontractors, employees, and managers in the performance of this Agreement.

14.2 Nothing contained in this Agreement is any way intended to be a waiver of the limitation placed upon the City's liability as set forth in Section 768.28, Florida Statutes. Additionally, the City does not waive sovereign immunity, and no claim or award against the City shall include attorney's fees, investigative costs or pre-judgment interest.

ARTICLE 15 **MISCELLANEOUS PROVISIONS**

15.1 No waiver or breach of any provision of this Agreement shall constitute a waiver of any subsequent breach of the same or any other provision hereof, and no waiver shall be effective unless made in writing.

15.2 Should any provision, paragraph, sentence, word or phrase contained in this Agreement be determined by a court of competent jurisdiction to be invalid, illegal or otherwise unenforceable under the laws of the State of Florida, such provision, paragraph, sentence, word or phrase shall be deemed modified to the extent necessary in order to conform with such laws, or if not modifiable, then same shall be deemed severable, and in either event, the remaining terms and provisions of this Agreement shall remain unmodified and in full force and effect or limitation of its use.

15.3 This Agreement constitutes the sole and entire agreement between the Parties hereto. No modification or amendment shall be valid unless in writing and executed by properly authorized representatives of both Parties.

15.4 The Services to be provided by Contractor pursuant to this Agreement shall be non-exclusive and nothing shall preclude the City from engaging other firms to perform Services.

15.5 Services shall not be subcontracted, transferred, conveyed, or assigned under this Agreement in whole or in part to any other person, firm or corporation without the prior written consent of the City.

15.6 This Agreement shall be construed and enforced according to the laws of the State of Florida. Venue in any proceedings between the Parties shall be in Miami-Dade County, Florida.

15.7 The City reserves the right to audit the records of the Contractor covered by this Agreement at any time during the execution of the Services for a period not to exceed three years.

15.8 Contractor agrees that it shall not discriminate as to race, sex, color, creed, national origin, or disability, in connection with its performance under this Agreement.

15.9 This Agreement may be executed in two or more counterparts, each of which shall constitute an original but all of which, when taken together, shall constitute one and the same Agreement.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:
Notary
Interim Director of Operations
Corporate Secretary

Risk Management Associates, Inc., d/b/a
Public Risk Insurance Agency:
"Contractor"

By: Robin Lee Faircloth
Robin Lee Faircloth
Print Name:

By: Alan Florez
Print Name: ALAN FLOREZ
EXECUTIVE VICE PRESIDENT

ATTEST:



City of North Miami, a Florida municipal
corporation: "City"

By: Alix Desulme
Alix Desulme
City Clerk

By: Clarence Patterson
Clarence Patterson
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

V. Lynn Whitfield
V. Lynn Whitfield
City Attorney

PREMIUM RECAPITULATION

	<u>Annual Premium</u>	<u>Check Option</u>	
		<u>Accepted</u>	<u>Rejected</u>
Law Enforcement Liability (Effective 10/31/2012-13)			
Indian Harbor Insurance (XL)	\$ 190,647.61	<input type="checkbox"/>	<input type="checkbox"/>
Public Officials / Employment Practices Liability (Effective 10/1/2012-13)			
Indian Harbor Insurance (XL)	\$ 104,302.53	<input type="checkbox"/>	<input type="checkbox"/>

I authorize PRIA to request the underwriters to bind coverage on the items indicated above and acknowledge receipt of the Compensation and Financial Condition Disclosure(s) provided in this proposal.

(Signature) _____

(Name & Title) _____

(Date) _____

Covered Party: North Miami
Effective Date: 10/1/2012 & 10/31/2012



LINE OF COVERAGE	2011/2012			2012/2013			Changes in Exposures	
	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREM	2011/2012	2012/2013
Public Officials:							Payroll	Payroll
Bain Harbor Ins Company								
OL / ELL	2,000,000 / 2,000,000	\$ 50,000	\$ 103,854	2,000,000 / 2,000,000	\$ 50,000	\$ 102,964	Difference	#VALUE!
Fees			\$ 1,350			\$ 1,339	Premium	\$ (902)
		Sub-Total	\$ 105,204		Sub-Total	\$ 104,303	Difference	-0.86%
Law Enforcement Liability								
Bain Harbor Ins Company								
Law Enforcement Liability	2,000,000 / 2,000,000	25,000 / 75,000 Agg	\$ 189,124	2,000,000 / 2,000,000	25,000 / 75,000 Agg	\$ 188,201		
Fees			\$ 2,459		Fees	\$ 2,447	Premium	\$ (935)
		Sub-Total	\$ 191,583		Sub-Total	\$ 190,648	Difference	-0.49%
TOTAL PREMIUM			\$ 296,787			\$ 294,950	Difference	-0.62%

CITY OF NORTH MIAMI

Notes of Importance:

1. Quotes provided in the proposal are valid until 10/31/2012. After this date terms and conditions are subject to change by the underwriters.
2. Some of the Carriers are issued pursuant to the FL Surplus Lines laws. Entities insured by surplus lines carriers do not have the protection of the FL Insurance Guaranty Act to the extent of any right of recovery for the obligation of an insolvent, unlicensed insurer.
3. Premiums are subject to change if all lines of coverage quoted are not bound. **Premiums are subject to 25% minimum premium upon binding.**
4. Not all coverages requested may be provided in this quotation.
5. **With the exception of Workers' Compensation, the total premium is due within 30 days of inception. Premium financing can be arranged if needed.**
6. Quote is not bound until written orders to bind are received from the insured and the Company subsequently accepts the risk.
7. Should signed application reveal differing details/data than original application received, the entire quote/binder is subject to revision and possible retraction.
8. Higher limits of liability may be available. Please consult with your agent.
9. This proposal is based upon exposures to loss made known to the Public Risk Insurance Agency. Any changes in exposures (i.e. new operations, new acquisitions of property or change in liability exposure) need to be promptly reported to us in order that proper coverage may be put into place.
10. **This proposal is intended to give a brief overview. Please refer to coverage agreements for complete information regarding definition of terms, deductibles, sub-limits, restrictions and exclusions that may apply.**

Wholesale Business Compensation Disclosure

Wholesale Broker/Managing General Agent: Apex/Public Risk Underwriters TX

This intermediary is owned in whole or part by Brown & Brown, Inc., the parent company of Public Risk Insurance Agency. Brown & Brown entities operate independently and are not required to utilize other companies owned by Brown & Brown, Inc., but routinely do so. In addition to providing access to the insurance company, the Wholesale Insurance Broker/ Managing General Agent may provide additional services including, but not limited to: underwriting; loss control; risk placement; coverage review; claims coordination with insurance company; and policy issuance. Compensation paid for those services may be up to 15% of the premium you pay for coverage, and any compensation paid for those services is derived from your premium payment.

LAW ENFORCEMENT LIABILITY

Term: October 31, 2012 to October 31, 2013

Company: Indian Harbor Insurance Company
(A.M. Best Rating: A XV)

Form: Occurrence

Limits of Liability: \$2,000,000 Per Occurrence
\$2,000,000 Annual Aggregate

Deductible: \$25,000 – Per Occurrence
Including Claims Expenses

\$75,000 – annual deductible aggregate
Including Claims Expenses

TERMS, CONDITIONS AND SUBJECTIVITIES include but are not limited to:

Defense Costs are addition to limit

Policy Form: PES-LEL-PF (02/08) An OCCURRENCE form.

Nuclear Energy Exclusion (PES – LEL – 100 (10/07))

25% Minimum Earned Premium Endorsement (PES – LEL – 111 (10/07))

Line of Duty of Death Endorsement (PES-LEL-123 (02/09))

Service of Process Endorsement (XL Form Number TBD).

This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.

**PUBLIC OFFICIALS LIABILITY
EMPLOYMENT PRACTICES LIABILITY**

<u>Term:</u>	October 1, 2012 to October 1, 2013
<u>Company:</u>	Indian Harbor Insurance Company (A.M. Best Rating: A XV)
<u>Form:</u>	Claims Made – Duty to Defend
<u>Coverage:</u>	Pays damages the insured becomes legally obligated to pay because of a “wrongful act” arising out of the discharge of duties
<u>POL Limits of Liability:</u>	\$2,000,000 Each Wrongful Act \$2,000,000 Annual Aggregate
<u>EPLI Limits of Liability:</u>	\$2,000,000 Each Wrongful Act \$2,000,000 Annual Aggregate
<u>POL Deductible:</u>	\$50,000 Each Claim, Including Claims Expenses
<u>EPLI Deductible:</u>	\$50,000 Each Claim, Including Claims Expenses

TERMS, CONDITIONS AND SUBJECTIVITIES include but are not limited to:

- Approved Choice of Counsel:
 - (1) Olds, Stephens & Harper, 312 11th Street, West Palm Beach, Florida 33401, <http://oslegal.com>
 - (2) Reginald Clyne, Clyne & Associates, 814 Ponce de Leon Blvd. Ste 210, Coral Gables, Florida 33134, <http://clynelegal.com>
 - (3) XL and Summit Risk agreed that the Law Offices of Robert Reynolds, Bedard & Tuzzio, PA, Lyman Reynolds, lreynolds@rrbpa.com, www.rrbpa.com firm was generally acceptable.
- The insured must consult with Summit Risk on a claim – by claim basis to be sure the correct firm is assigned to each case.**
- Defense Costs are addition to limit
- *Joint Consent to Settle – 50% of non-consented settlement will be covered*
- *Non-Monetary Supplemental – Included for EPL Claims*
- *Non-Monetary Supplemental – \$100,000 Limitation for Non-EPL Claims*
- Retroactive Date: Full Prior Acts
- Policy Form: PES-POL-PF (02/08) A CLAIMS - MADE form.
- Nuclear Energy Exclusion (PES-POL-100 (10/07)
- 25% Minimum Earned Premium Endorsement (PES-POL-116 (10/07)
- Service of Process Endorsement (XL Form Number TBD).
- Any Notices or Disclosures required by the state regulatory agency.

This proposal is intended to give a brief overview. Higher limits may be available. Please refer to coverage forms for complete details regarding definition of terms, exclusions and limitations.